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Broadcasting Sep 26

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57th Year 1988
Adding up the asset values in the Fifth Estate

Vol. 115 No. 13

Broadcasting Sep 26

Adding assets . . . BROADCASTING's second annual industrywide asset valuation puts value of telephone companies at $240 billion; cable at $90 billion and broadcast television at $40 billion. **PAGE 35.**

Two-week tune-up . . . GTG Entertainment's *USA Today: The Television Show* is substantially reformatted in wake of criticism and ratings blues. **PAGE 37.** With first full week of ratings in, syndicators of some other shows receive promising early metered-market returns. **PAGE 38.**

Radio wrap-up . . . National Association of Broadcasters' radio convention in Washington tackles range of broadcasting issues affecting medium's future, including importance of lobbying efforts for industry, AM radio and new products unveiled by equipment manufacturers on exhibit floor. Coverage begins on **PAGE 48.**

NAB's Eddie Fritts

39/***LEGISLATIVE FAST TRACK***

House Telecommunications Subcommittee approves bill granting compulsory license for satellite distribution of superstations to backyard dish owners. Compromise on amended version results in anti-piracy provisions and spells end to House debate on regulating home satellite marketplace.

41/***NO BACKSLIDING***

FCC Chairman Dennis Patrick says security offered by any reregulation is "illusory at best" and price would be high.

44/***PEACOCK PREENS***

NBC finishes first for fourth year in row in 52-week season ended Sept. 17. CBS places second and ABC third.

44/***CAMERAS IN COURT***

Use of actual courtroom film footage by new syndicated program, *On Trial*, prompts questions of whether cameras should be allowed in courtroom for purpose of producing entertainment show.

65/***CABLE REGULATORS MEET IN MIAMI***

National Association of Telecommunications Officers and Advisors is "leaning" toward excluding local telephone companies from cable business, says organization's outgoing president on eve of group's annual meeting.

66/***PPV PROTECTION***

By January 1989, cable industry hopes to have technical ability to stop home taping of live and recorded pay-per-view events.

39/***OFF THE PACE***

Although NBC hopes that ratings will increase by week's end, so far Olympics audiences are smaller than expected, prompting advertising make-goods.

45/***PBS COUNTER-PROGRAMING***

Public Broadcasting Service hopes to take advantage of strike-delayed fall schedules of commercial broadcast networks by introducing 11 new series, including its young people's news show, *CE News Magazine*, whose cast is pictured above.

67/***TAKING LOW-POWER BITE OF BIG APPLE***

Retired orthodontist from California switches from dental surgery to TV, starting low-power television station in densely populated New York City. His potential audience: more than 4.6 million.

73/***BOTH SIDES PLEASED***

City of Boston and Cablevision Systems agree on franchise terms that include provision for half-priced cable offering to low-income residents.

103/***SELLING FROM THE TOP***

Dick Mendelson leads employee-owned Katz Communications in representation of nearly 200 TV and some 1,300 radio stations.

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BY THE NUMBERS

Summary of broadcasting and cable

BROADCASTING

SERVICE	ON AIR	CP's[1]	TOTAL *
Commercial AM	4,913	287	5,199
Commercial FM	4,085	565	4,650
Educational FM	1,339	297	1,636
■ Total Radio	10,337	1,149	11,485
FM translators	1,585	435	2,020
Commercial VHF TV	543	18	561
Commercial UHF TV	501	200	701
Educational VHF TV	119	6	125
Educational UHF TV	215	30	245
■ Total TV	1,378	254	1,632
VHF LPTV	106	163	269
UHF LPTV	282	1,143	1,425
■ Total LPTV	388	1,306	1,694
VHF translators	3,067	109	3,176
UHF translators	2,179	348	2,527
ITFS[2]	250	114	364
Low-power auxiliary	824	0	824
TV auxiliary	7,430	205	7,635
UHF translator/boosters	6	0	6
Experimental TV	3	5	8
Remote pickup	12,338	53	12,391
Aural STL[3] & intercity relay	2,836	166	3,002

CABLE†

Total subscribers	47,042,000
Homes passed	73,900,000
Total systems	8,000
Household penetration†	52.8%
Pay cable penetration	32%

* Includes off-air licenses. † Penetration percentages are of TV household universe of 88.6 million. [1] Construction permit. [2] Instructional TV fixed service. [3] Studio-transmitter link.

considered good, but Senator Tim Wirth (D-Colo.) says he may amend measure, which could complicate prospects for passage. Wirth is drafting alternative proposal (with more stringent requirements) to House bill (BROADCASTING, Aug. 8), which is expected to draw opposition from broadcasters. NAB says it won't fight House bill, but would oppose any amendments that might occur when Senate acts. Moreover, Justice Department has written Senate Majority Leader Robert Byrd (D-W.Va.) opposing House legislation and promising to recommend presidential veto (BROADCASTING, Aug. 1). Office of Management and Budget released statement opposing bill, but stopped short of recommending veto.

Bill is product of negotiations between Subcommittee Chairman Ed Markey and NAB and proposes commercial limits in children's programs of 10½ minutes per hour on weekends and 12 minutes on weekdays. Measure has undergone considerable revisions and excisions, among latter language requiring broadcasters to air one hour per day of informational and educational programing and provisions to curb so-called program-length commercials.

Comparative Renewal

■ FCC took first step toward revamping much-maligned comparative renewal process, launching combined rulemaking and inquiry at June 23 meeting aimed at making it easier for broadcasters to win comparative renewal hearings and discouraging groups from using process to "extort" money from broadcasters.

The FCC proposed limiting payments broadcasters can make to challengers in settlements of comparative renewal proceedings and to groups in exchange for withdrawal of petitions to deny renewals. In addition, it proposed requiring fuller ownership and financial disclosure information from competing applicants, clarifying standards broadcasters must meet to win "renewal expectancies" and reconsidering criteria used in comparative hearings, particularly diversity of ownership.

FCC stopped short of proposing two-step renewal process, by which FCC would first decide whether to renew license before considering competing applicants.

To gather evidence of "extortion" in comparative renewal and petition-to-deny processes, National Association of Broadcasters has sent questionnaire to members and, to insure confidentiality of survey, has hired accounting firm to collect and organize responses.

Compulsory License

FCC is conducting inquiry into cable compulsory license, and may have "front burner" item ready for action in early fall. If views of FCC Chairman Dennis Patrick are guide, inquiry could lead to recommendation that Congress abolish license, although Patrick has acknowledged abolishing it for carriage of local stations would create practical problems.

Reexamination of license on Capitol Hill failed to materialize despite introduction of legislation. House Telecommunications Subcommittee member John Bryant (D-Tex.) has offered bill (BROADCASTING, April 4) to condition compulsory license on whether cable operator is carrying local broadcast signals. Senate Copyright Subcommittee Chairman Dennis DeConcini (D-Ariz.) offered similar measure in June (BROADCASTING, June 20). NAB television board has directed staff to investigate all aspects of compulsory license as part of joint board's consideration of must-carry issues. In comments on license inquiry, cable generally supported retention of license while program producers opposed it. NAB softened its long-standing opposition, arguing that license should be left alone for time being.

Crossownership

■ *Telco-cable*—FCC has tentatively concluded it should recommend Congress lift cross-ownership ban on telephone companies providing cable television service in their service areas. Commission, which made proposal at its July 20 meeting, will seek comments on subject, as well as on separate considerations to loosen its own regulatory restrictions on crossownership. FCC move follows National Telecommunications and Information Administration report on cable television regulation that recommended that telephone companies be allowed to serve as transporters of others' programing in telcos' own service areas (BROADCASTING, June 20). They should be allowed to provide "video dial tone" to anyone with program to offer, although not programing of their own, in NTIA's view.

At present, not only FCC regulations and 1984 Cable Act but also modified final judgment issued by U.S. Judge Harold Greene in his supervision of breakup of AT&T, is seen as barrier to such crossownership by seven Bell operating companies. NTIA has petitioned FCC to preempt Greene's regulation of BOC's, arguing that Greene is hampering BOC entry into information services, including cable.

Resolution now pending in House calls on Congress to wrest jurisdiction from Greene and eliminate barriers. Measure has backing of House Energy and Commerce Committee

First, Britain's Department of Trade and Industry issued ruling that will permit individuals and businesses, using on-site earth stations within UK, to receive signals of independent international satellites directly. Then, three weeks later, UK's Office of Telecommunications declared that operating licenses of British Telecom, UK's signatory to Intelsat, require it to provide "conveyance of messages to or from" international satellite system when customer in UK requests such service.

In related development, Orion Network Systems and British Aerospace announced plans to collaborate on construction, launch and operation of satellite-based telecommunications system across Atlantic.

Land Mobile

Last fall, FCC delayed decision on petition to reallocate UHF channels in eight markets to land mobile radio until completion of report on whether UHF channels in question will be needed for broadcasting high-definition systems. But report released in June by FCC's advisory committee on advanced television service advised commission not to act because it is too early to know how much spectrum broadcasters will need. During special meeting on HDTV issues, FCC decided to follow report's advice (BROADCASTING, Sept. 5).

NAB sent comments opposing FCC proposal of minimum mileage separations between new UHF television stations on channels 14 and 69 and existing mobile radio operations on adjacent channels. NAB also opposed proposal that station may try to negotiate settlement with mobile radio operator if new station cannot meet spacing requirements. LMCC agreed with mileage separations on condition that spacings be increased substantially from 10-25 miles proposed by FCC. It also agreed with private agreement provision.

Low-Power TV

FCC's nine-day "window" for LPTV applications closed June 24, but not before nearly 1,000 were received. Initial processing is expected to be completed by end of September.

It was second such filing window for LPTV in as many years. Window in June 1987 attracted 1,600 applications. FCC granted permits to bulk of them and is now conducting series of lotteries to select tentative permittees for mutually exclusive ones. FCC will follow same process with latest batch.

Mergers

■ Malrite Communications Group announced Aug. 15 that it had received a buyout offer from management group led by chairman and majority stockholder, Milton Maltz. Offer was $10.25 per share in cash for approximately 13.7 million shares of common and class A

Continues on page 80

Broadcasting

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tions in association with Paramount, and has an eight-episode commitment. *Jake's Journey*, a half-hour show by Witzend Productions in association with 20th Century Fox, which had been unaffected by the strike because it was being produced in London, has been put on the back burner at the network.

At ABC, the network is going ahead with plans to recreate popular series of the past. *Mission Impossible* and *Police Story* will premiere on Oct. 23 and Oct. 29, respectively. *Mission Impossible*, produced by Paramount Television, will be filmed entirely in Australia, and has Peter Graves reprising his role of Jim Phelps.

It was Brandon Tartikoff, president, NBC Entertainment, who coined the term American Revivals for the strategy of recreating old series by using existing scripts. Tartikoff only announced one such revival, *Hardy Boys*. Plans for the remake of that series have been nixed, although production of a pilot is still being considered. *Highway to Heaven*, a strong candidate as a mid-season replacement, will have one new episode on this fall, on Oct. 5. Michael Landon Productions which produces the show, had an independent agreement with the writers guild and was able to continue production during the strike.

Syndication■Marketplace

Rivers returns. Joan Rivers, nearly two years after launching Fox's The Late Show, will once again be in the host's chair, in a Tribune Entertainment produced talk-show series to air daily. The one-hour show will reportedly run in morning or afternoon timeslots and is slated for a fall 1989 launch.

□

Oprah Winfrey has purchased Chicago production facility and plans to move production of her top-rated syndicated talk show there next September. Acquisition of 88,000-square-foot facility, made in conjunction with syndicator King World and Winfrey manager Jeffrey Jacobs, will involve total investment, after renovation, of $10 million.

□

Access Entertainment, citing "overcrowded marketplace," is closing its syndication arm. Access Syndication's only proposed new program for first-run syndication this fall, talk-show with Don King, was scrubbed months ago. Future of two other first-run shows it distributes, *Slime Time* and *Treasure Mall*, are uncertain. Reports that LBS, which sells barter time in those programs, would acquire distribution rights, could not be confirmed at press time.

□

Viacom's *Jake and the Fatman*, which aired on CBS last season and is now unscheduled mid-season replacement this year, is moving production to Hawaii. Viacom has 13-episode commitment from CBS for one-hour show. CBS has had at least one show each season produced in Hawaii since mid-1960's with *Hawaii Five-O*, followed by *Magnum, P.I.*, which went off air last season. *Tour of Duty*, produced in Hawaii last year, is moving production to Los Angeles to cut costs. Viacom is taking *Jake* to Hawaii for "new look" and hopefully extended play on network.

NBC takes final week of 1987-88 year

NBC's win of the final week of the 1987-88 season (week 52, ended Sept. 18) capped off four years for the network in this position. (See story, page 44.) In terms of the traditional, 30-week season, the 87-88 season marked NBC's third win in a row. (CBS won the 1984-85 season with a 16.9 rating and a 27 share.)

NBC took week 52 with a 14 rating and a 24 share. CBS and ABC tied for second place with an 11.5/20. Last year's comparable week, ended Sept. 20, 1987, went to NBC's 15.6/27, while ABC followed with an 11.8/20 and CBS closed out with an 11.7/20.

In evening news, CBS won the week with a 10.8/22 over ABC's 10.3/21 and NBC's 10.1/20.

The HUT level (homes using television) for week 52 was down from last year, standing at 57.8 compared to 58.1 a year ago. But since the current universe of TV households stands at 90.4 million, up from 88.6 million, the lower HUT level translates into 52.25 million households for the week, *up* from 51.5 million 12 months ago. The TV household universe now includes all 50 states, with Alaska and Hawaii having been included in the tabulations for the 1988-89 season.

Focusing on specifics for week 52, all three of NBC's broadcasts of the summer Olympics pushed into the ranks of the top 10. The network's *Summer Olympics Preview* ranked 36th, and only pulled in a 10.2/18. NBC's *Different World* took first place for the week with an 18.2/30, while *The Cosby Show* ranked fourth with a 17.6/31.

CBS—which failed to put any programs into the top 10 during week 51—took third place with its Sunday rebroadcast of the movie, *Rockabye* (17.6/29). That network's *60 Minutes* ranked sixth for the week.

ABC's top-ranker for the week was *Monday Night Football* (Dallas Cowboys vs. Phoenix Colts), taking fifth place and racking up a 17.4/29. The network's *Barbara Walters Special* came in seventh with a 16.5/26.

Ninth and 10th places went to NBC's Saturday Olympics broadcast (15.6/30) and the opening ceremonies, telecast on Friday (15.2/29).

	Nielsen		Net
1.	18.2/30	N	Different World
2.	17.7/30	N	Summer Olympics, Sun.
3.	17.6/29	C	CBS Sunday Movie
4.	17.6/31	N	Cosby Show
5.	17.4/29	A	Monday Night Football
6.	16.8/29	C	60 Minutes
7.	16.5/26	A	Barbara Walters Special
8.	15.8/24	C	Murder, She Wrote
9.	15.6/30	N	Summer Olympics, Sat.
10.	15.2/29	N	Olympics Opening
11.	14.3/24	N	ALF
12.	14.1/23	A	Full House, Tuesday
13.	14.1/24	C	48 Hours
14.	13.8/21	A	Who's the Boss? Sunday
15.	13.6/23	A	Head of the Class
16.	13.6/23	A	Who's the Boss?
17.	13.3/21	C	Designing Women
18.	13.3/23	N	NBC Wednesday Movie
19.	13.1/24	A	Growing Pains
20.	13.1/22	N	Matlock
21.	12.7/20	C	Kate and Allie
22.	12.5/22	C	CBS Thursday Movie
23.	12.4/22	A	Koppel Report
24.	12.2/20	C	CBS Tuesday Movie
25.	11.9/22	A	20/20
26.	11.8/21	N	Unsolved Mysteries
27.	11.7/19	N	In the Heat of the Night
28.	11.5/18	A	Perfect Strangers, Sunday
29.	11.5/20	C	Magnum, P.I.
30.	11.4/19	C	Roger Rabbit-Toontown
31.	11.3/18	A	Growing Pains, Sunday
32.	11.1/17	A	Head of the Class, Sunday
33.	11.0/18	N	NBC Monday Movie
34.	10.4/19	A	ABC Saturday Movie
35.	10.3/18	A	Full House
36.	10.3/18	A	Hooperman
37.	10.2/17	A	ABC Thursday Movie
38.	10.2/18	N	Olympics Preview
39.	9.7/18	A	Perfect Strangers
40.	9.7/16	C	Cavanaughs
41.	9.6/17	C	Wiseguy
42.	9.5/17	C	CBS Friday Movie
43.	9.4/16	C	Newhart
44.	9.2/15	C	Equalizer
45.	8.9/16	A	China Beach
46.	8.9/16	C	J. Gleason, The Great One
47.	8.8/15	A	MacGyver
48.	8.5/15	A	Mr. Belvedere
49.	8.3/15	C	Live! Dick Clark Presents
50.	8.2/14	A	Flintstones: Just Say No
51.	7.8/13	A	Slap Maxwell
52.	7.7/13	A	Cowboy Joe
53.	7.1/13	A	California Girls
54.	7.0/13	C	United Way Message
55.	6.8/12	C	Lily Tomlin: Sold Out
56.	6.8/13	C	West 57th
57.	6.4/11	A	Space: Beyond the Shuttle
58.	6.4/11	N	Live: The Hard Rock Cafe
59.	5.9/11	N	Decision 88: Countdown

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